

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

[Anderson, South Carolina]

HEARING # 13-11360

OCTOBER 1, 2013

6:00 P.M.

DOCKET NO. 2013-201-WS:

UTILITIES SERVICES OF SOUTH CAROLINA, INC. - Application for
Adjustment of Rates and Charges

**TRANSCRIPT OF TESTIMONY
AND PROCEEDINGS**

VOLUME 1 OF 4

COMMISSIONERS PRESENT: G. O'Neal HAMILTON, *CHAIRMAN*, Nikiya M. 'Nikki' HALL, *VICE CHAIRMAN*; and COMMISSIONERS John E. 'Butch' HOWARD, Elizabeth B. 'Lib' FLEMING, Swain E. WHITFIELD, AND Comer H. 'Randy' RANDALL
ADVISOR TO COMMISSION: B. Randall Dong, Esq.

STAFF: Jocelyn G. Boyd, Chief Clerk/Administrator; James Spearman, Ph.D., Executive Assistant to Commissioners; William O. Richardson, Advisory Staff; Jo Elizabeth M. Wheat, CVR-CM/M-GNSC, Court Reporter; and Calvin Woods, Jackie Thomas, and Afton Ellison, Hearing Room Assistants

APPEARANCES:

SCOTT ELLIOTT, ESQUIRE, representing UTILITIES SERVICES OF SOUTH CAROLINA, INC., **APPLICANT**

FLORENCE P. BELSER, ESQUIRE, and NANETTE S. EDWARDS, ESQUIRE, representing the SOUTH CAROLINA OFFICE OF REGULATORY STAFF

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

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P R O C E E D I N G S

CHAIRMAN HAMILTON: If you'll give me your attention, please, we'd like to call the Commission meeting to order and welcome each one of you.

Can you hear? Okay [indicating]. Can you hear me?

VOICE: Louder.

CHAIRMAN HAMILTON: Louder?

VOICE: Yeah, there you go.

CHAIRMAN HAMILTON: We doing it now?

VOICE: Yes, sir.

CHAIRMAN HAMILTON: Okay. Thank you. We want to welcome each of you here to the meeting of the South Carolina Public Service Commission. We're here tonight to hear your concerns, and we think we've got a good turnout, and we're thankful about that.

First thing I'd like to do is introduce to you my fellow Commissioners. If I could start on my far left, Commissioner Howard, who comes from the First Congressional District. Next to him is Commissioner Fleming from the Fourth Congressional District. And Vice Chairman Hall is next, and she's from the Sixth Congressional District. Next, on the end, is Commissioner Randall of the Third

1 Congressional District. Then Commissioner
2 Whitfield of the Fifth Congressional District. And
3 I'm O'Neal Hamilton and I'm Chairman, and I'm from
4 the Seventh Congressional District.

5 At this time I also would like to introduce
6 and thank the delegation from this county that
7 asked us to be here tonight, consisting of
8 Representative White, Representative Thayer,
9 Representative Bowen, Representative Gambrell, and
10 Senator Bryant. Several of them are with us
11 tonight and we would welcome them to come forward
12 now, if they would like to say a few words.

13 **REP. ANNE J. THAYER:** Good evening. I'm
14 Representative Anne Thayer, and I want to thank all
15 of you for coming out tonight. When I first
16 received notice that this was going to happen,
17 obviously I was concerned, too, and I just want you
18 to know that I'm here to represent you.

19 One thing that y'all need to understand is
20 that we have absolutely no control over what the
21 Commissioners do. We can only address them
22 publicly, just like you can.

23 And so I did receive some information and I
24 just wanted to share this with y'all and with the
25 Commissioners, as well. The folks that are already

1 using Utility, Inc., are paying about \$10 more a
2 month, higher, than what the rest of the water
3 rates are in the area. So they are already paying
4 a higher rate, and an increase of this magnitude, I
5 can't imagine what it would do to them, but I know
6 what it would do for me and my family.

7 So, anyway, I'm going to let them speak for
8 themselves, but anyway, I want to thank all of you
9 so much for coming out here and agreeing to travel
10 and coming to have this hearing. We really,
11 really, really do appreciate it.

12 **CHAIRMAN HAMILTON:** Thank you, very much,
13 Representative Thayer.

14 Representative Bowen?

15 **REP. DON C. BOWEN:** I'm Don Bowen. I
16 represent House District 8, and as most of y'all
17 know, we've been fighting water issues for probably
18 about four or five years now. My fear is that
19 water should be -- it's your tap, it's your house;
20 what it costs to get there shouldn't -- you
21 shouldn't be held hostage for your water to be
22 there.

23 What I'm -- in Anderson, we have a joint
24 regional water system, and all the water is pumped
25 out of Hartwell Lake. But as y'all all know, what

1 -- the difference between what I pay and what you
2 pay, it's just something there's just no right to
3 it. And I'm hoping we can get together tonight and
4 maybe there can be some questions asked of our
5 delegation and maybe we can all work together to
6 try, once and for all, to resolve the water issues
7 that we have here in Anderson County.

8 This is -- it's not they're doing the same
9 thing in Anderson County. Anderson County has a
10 unique situation in that we, at one time, had Duke
11 Power that served us all, and the Public Service
12 Commission had jurisdiction over the rates at that
13 time. But that's not the -- when they sold Duke
14 Power water, I don't guess we, as a delegation,
15 were vigilant enough to protect y'all. So we've
16 got y'all in a mess because it's a lot of our fault
17 -- not "us" as the ones that are standing here, but
18 some of our predecessors -- for getting our water
19 systems in the mess that we have here today.

20 We hope that y'all have some good questions
21 here tonight and may have some good thoughts that
22 y'all would like to share with us. And I want you
23 to know, we're on your side and we're going to keep
24 working on this so we can get this issue resolved.
25 Thank you, very much. And thank y'all for coming

1 here tonight.

2 **CHAIRMAN HAMILTON:** Thank you, Representative
3 Bowen.

4 **REP. W. BRIAN WHITE:** First and foremost,
5 thank y'all for coming, and a special thanks to the
6 Public Service Commissioners for coming tonight.
7 It means a lot that you're actually here and taking
8 an interest in this.

9 I think you were up here, what, some four
10 years ago, Chairman --

11 **CHAIRMAN HAMILTON:** Yes, sir.

12 **REP. W. BRIAN WHITE:** -- because of the same
13 Utilities, Inc., or the same area. I know in my
14 area, I think we have several neighborhoods
15 involved with it that got involved last time, and
16 we actually, I think, beat back the rate increase.
17 I hope that we're successful in doing that again.

18 You folks may or may not know that we actually
19 can't talk to y'all other than in a public forum
20 like this.

21 **CHAIRMAN HAMILTON:** Yes, sir.

22 **REP. W. BRIAN WHITE:** We did some reform of
23 the Public Service Commission and kind of cut
24 ourselves off from communicating with the people
25 behind me. So thank you for coming out and

1 participating.

2 I, too, disagree with what's going on, the
3 rate increase. I think, at the end of the day,
4 Commissioners, we've been meeting with some of my
5 water districts and Utilities, Inc., so we're
6 trying to purchase them and get that part out. I
7 don't know if this is part of the overall scheme of
8 what happening. We're trying to get Utilities,
9 Inc., to get to a point where they can actually
10 sell to different water districts. I've had two
11 water districts in communication, trying to buy the
12 taps that they have in the area. That should give
13 the quality of service and quality of water.

14 I don't think -- is anyone here from Lakewood?

15 **VOICE:** I am.

16 **REP. W. BRIAN WHITE:** All right. I don't
17 think they've done anything in the Lakewood or
18 Knoxwood areas in the last meeting we had, other
19 than just charging more money for your water.
20 Still got low pressure a --

21 **VOICE:** A lot of times, they --

22 **REP. W. BRIAN WHITE:** -- lot of times.

23 **VOICE:** Hunter's Glen, neither one of those.

24 **REP. W. BRIAN WHITE:** Okay. But they haven't
25 done anything other than sell water, to that

1 degree. They purchase a lot of it from -- we have
2 a joint water service here in town. I think they
3 purchase a lot of it from the City of Anderson and
4 just tack on a fee and go from there. But the
5 quality these folks are paying for -- they're
6 paying a premium and getting low quality, at the
7 current rate. So I think that needs to be taken
8 into consideration. A lot hasn't been done, and
9 the last time they asked for this rate increase --
10 actually, nothing has been done, my understanding,
11 from the last time they asked for a rate increase.
12 I would hope you would take that into
13 consideration.

14 Probably one of the best things we could do
15 is, maybe with your help, foster some negotiations
16 so that some of the local water companies can
17 purchase this at a reasonable price and provide
18 good-quality water, good-quality service, to our
19 constituents.

20 And for that, thank you. Welcome to House
21 District 6. And if I can help you while you're
22 here in town, let me know.

23 **CHAIRMAN HAMILTON:** Thank you, Representative
24 White.

25 Do we have any other members of the delegation

1 at this time?

2 [No response]

3 If not, I'll turn the meeting over to our
4 attorney, Attorney Dong, to give us the rules.

5 **MR. DONG:** Good Evening. I'd like to also
6 extend a welcome tonight from the Commission staff
7 that you see assembled here. My name is Randall
8 Dong, and I'm a lawyer for the Commission.

9 This proceeding before the Public Service
10 Commission is in Docket No. 2013-201-WS, and it
11 concerns the proposed rate increase filed with the
12 Commission by Utilities Services of South Carolina,
13 Incorporated. We call it USSC.

14 We're here tonight to receive testimony from
15 customers of USSC who might find it difficult to
16 come down to Columbia for the merits hearing.
17 Before I start receiving testimony, I'd like to ask
18 you all to please mute or turn off your cell
19 phones.

20 At this time, I'm going to take appearances
21 from the attorneys and other officials present.

22 First I see Mr. Elliott is here, representing
23 the company. Mr. Elliott, would you stand up and
24 introduce yourself and your people?

25 **MR. ELLIOTT:** Thank you, Mr. Dong. I am Scott

1 Elliott; I represent the Applicant in this matter.

2 Ms. Karen Sasic is here at the table with
3 us --

4 MR. DONG: Your mic?

5 VOICE: Can you give him a mic so we can hear?

6 CHAIRMAN HAMILTON: We're working on that.

7 MR. ELLIOTT: [Indicating.] On now?

8 MR. DONG: Mr. Elliott, you might need to go
9 to the podium.

10 MR. ELLIOTT: [Indicating.] Does this work?

11 MR. DONG: That works.

12 MR. ELLIOTT: All right. I'm Scott Elliott,
13 and I represent USSC in the matter. With me is
14 Karen Sasic. She works for USSC and is here to
15 answer any questions you might have after the
16 meeting. Patrick Flynn is here, in the back, on
17 the top row. Patrick Flynn, Mac Mitchell, and Rick
18 is here. If you have any questions, they're here
19 and can answer them at the end of the meeting, so
20 please linger if you'd like, and answer any
21 questions -- ask any questions you have. Thank
22 you.

23 MR. DONG: Great. Thank you.

24 Also, I see that we also have Ms. Edwards and
25 Ms. Belser from the ORS?

1 **MS. N. EDWARDS:** Yes. Thank you. Can you
2 hear me? Thank you, Mr. Dong. With me is Ms.
3 Belser, and my name is Nanette Edwards. We're with
4 the South Carolina Office of Regulatory Staff.

5 We also have here with us Mr. Willie Morgan
6 and Mr. Chad Campbell.

7 **COMMISSIONER WHITFIELD:** They can't hear.

8 **CHAIRMAN HAMILTON:** We can't hear you, Ms.
9 Edwards.

10 **MS. N. EDWARDS:** [Indicating.] Can you hear
11 me now?

12 **MR. DONG:** It's kind of inconsistent.

13 **MS. N. EDWARDS:** It's inconsistent? Should I
14 go to the podium?

15 **CHAIRMAN HAMILTON:** Yes, ma'am.

16 **MR. DONG:** That'll be better.

17 **MS. N. EDWARDS:** [Indicating.] Good evening.
18 Let me start over. My name is Nanette Edwards and
19 I'm chief counsel of the South Carolina Office of
20 Regulatory Staff. Here with me is Ms. Florence
21 Belser; she's general counsel.

22 Mr. Willie Morgan --

23 **MR. MORGAN:** [Indicating.]

24 **MS. N. EDWARDS:** -- who is with our Water &
25 Wastewater Department, he will be a witness in this

1 proceeding -- not tonight, but at the merits
2 hearing in Columbia.

3 Mr. Chad Campbell --

4 **MR. CAMPBELL:** [Indicating.]

5 **MS. N. EDWARDS:** -- is in our Consumer
6 Services Division.

7 If you have any questions, either during the
8 proceeding or afterwards, we would be happy to
9 field any questions that you have of us regarding
10 the proceeding or the application that has been
11 filed. Again, during the proceeding, if you have
12 questions, you are welcome to approach Mr. Campbell
13 or Mr. Morgan.

14 At this time, with your permission, if I may
15 say a few words?

16 **MR. DONG:** That'll be fine.

17 **MS. N. EDWARDS:** We appear before the
18 Commission. Our agency -- I heard Representative
19 White mention it, but the South Carolina Office of
20 Regulatory Staff was actually created by the
21 General Assembly in 2004. Before ORS was created,
22 the Commission had all the duties of -- they would
23 present witnesses, they would also hold the
24 hearing, and they would do any audits that were
25 required. Now, with the creation of ORS, our

1 agency does audits and reviews of the company's
2 application. And we will be presenting, as I
3 mentioned earlier, several witnesses in the hearing
4 before the Commission in Columbia.

5 The -- as part of that reformation, if you
6 will, the Commission and the Commissioners are
7 under the Judicial Code of Conduct. These
8 Commissioners sit as judges over this proceeding.
9 And your testimony -- and we are very thankful, as
10 ORS, and I know I've heard the Commission say this,
11 as well -- this is your opportunity to provide
12 testimony in the record, under oath. You will be
13 sworn in. And that testimony, if this case is
14 appealed, your testimony will be what these
15 Commissioners -- these judges will review your
16 testimony as they make their decision in this case.

17 Because they are the decision-makers in this
18 case and because they are under the Judicial Code
19 of Conduct, they cannot take questions. It would
20 be as if you'd think of a court proceeding where a
21 witness is on the witness stand and has been sworn
22 in, would be turning to the judge to ask questions.
23 That's why I turn again to -- if you have
24 questions, you know, certainly the company is here,
25 but as ORS representing the public interest, I

1 would encourage you to come to us either during the
2 proceeding or afterwards, if you have questions.

3 Now, having said that, again, we're very
4 pleased that you're here tonight. I know this is a
5 significant rate increase. You may have concerns
6 about how that impacts your family. I know I spoke
7 earlier with one individual who is very concerned
8 about the pass-through charge. Whatever your
9 issues -- they can be service issues -- your
10 testimony is important, and these Commissioners do
11 want to hear from you. They're very compassionate
12 people. They want to hear. They are here tonight
13 and they want to hear from you.

14 And with that, Commissioners, that concludes
15 my statement.

16 **MR. DONG:** Thank you, very much, Ms. Edwards.

17 At this time, the Chairman needs to make an
18 announcement about the subsequent meeting we're
19 going to have on Thursday --

20 **CHAIRMAN HAMILTON:** In Union.

21 **MR. DONG:** Excuse me, in Union.

22 **CHAIRMAN HAMILTON:** Right. I needed to make a
23 request tonight from the parties that, due to my
24 grandson's wedding, I will not be able to attend
25 the Union public hearing. And by statute, it's

1 necessary to get permission from the parties for me
2 to be able to appear in the merits case.

3 At this time, Mr. Elliott, do you have an
4 opinion?

5 **MR. ELLIOTT:** I have an opinion. We have no
6 objections to your going to the wedding, and we
7 hope you have fun. We'll look forward to seeing
8 you at the merits hearing.

9 **CHAIRMAN HAMILTON:** Thank you, very much. And
10 ORS?

11 **MS. N. EDWARDS:** The Office of Regulatory
12 Staff has no issue or no objection. Thank you.

13 **CHAIRMAN HAMILTON:** Thank you, very much, and
14 I appreciate that. Sorry to take up your time with
15 my --

16 **VOICE:** Who's going to take your place?

17 **MR. DONG:** Okay. Just --

18 **CHAIRMAN HAMILTON:** Ms. Hall.

19 **VOICE:** I'm asking you a question.

20 **CHAIRMAN HAMILTON:** Sir, we can't answer. I
21 think she just explained that.

22 **VOICE:** She just said that to you.

23 **MR. DONG:** Just to clarify, the proceedings
24 that are here are part of the case, and I think --
25 what everybody's trying to explain to you all and

1 make sure everybody understands is that this is
2 just as though it were happening in Columbia at our
3 courtroom that we have in our offices.

4 There is a Rule that says that if a
5 Commissioner misses more than 15 minutes of the
6 proceeding then, ordinarily, he would not be
7 permitted to vote in the matter. And I think the
8 question that was posed by the Chairman was whether
9 the parties had an objection to his participating
10 in the case, even though he would miss the public
11 night hearing that's going to be held on that
12 subsequent evening. And that was the reason. He's
13 going to still be able to review the transcript of
14 all of the remarks, so he'll still get the benefit
15 of the testimony; he just won't be physically
16 present.

17 Does that answer your question?

18 **VOICE:** Hm. No.

19 **MR. DONG:** No?

20 **COMMISSIONER WHITFIELD:** He'll still be
21 present for the merits hearing.

22 **MR. DONG:** Okay.

23 **CHAIRMAN HAMILTON:** That's all we can answer.

24 **MR. DONG:** I won't take but another minute or
25 two, I promise. But in a moment I'm going to call

1 the names of those who have signed up to speak.
2 I've got a sign-up sheet here, and we're going to
3 try to move things along and allow everyone who
4 wishes to testify to speak. I'm going to call two
5 or three names at a time, so that we can try to
6 have the next witness ready and waiting.

7 So, please, when you're called, proceed to the
8 podium and wait to be sworn. And then, after
9 you're sworn and you take the podium, please give
10 your name and address. And if you've got a name
11 that's difficult to spell, if you would be so kind
12 as to spell it for the court reporter, that would
13 be helpful. And then confirm for the record that
14 you are, in fact, a customer of Utilities Services
15 of South Carolina before proceeding with your
16 testimony.

17 Please be sure to speak into the microphone so
18 everyone can hear you. And after you're done,
19 please remain at the witness stand -- at the podium
20 -- for any questions that the parties or the
21 Commissioners might have.

22 We've placed a limit of three minutes on all
23 presentations. There's a timer there that Mr.
24 Richardson has, and he'll be timing your testimony
25 and it will sound an alarm.

1 If you haven't signed up yet to testify and
2 you do wish to, or if you decide during the course
3 of the hearing that you want to be heard, then
4 please go out that side door and get a staff member
5 to sign you up, so we can have a record of you
6 signing in and be sure you get on the program for
7 tonight.

8 And as Ms. Edwards said, this is a public
9 hearing. It's your time to testify with regard to
10 the Utilities Services of South Carolina rate
11 increase, but due to the judicial nature of this
12 body and of this proceeding, the Commissioners
13 can't really take questions and are prevented from
14 making any comments. But we are listening to you.
15 ORS and the company are available. They'll be
16 available after the hearing for any questions you
17 might have.

18 And the hearing will be held in Columbia on
19 Monday, November 4, 2013, at 10 a.m., in the
20 offices of the Commission.

21 There will be further public testimony in this
22 matter in York this Thursday, in Columbia at the
23 Commission -- and in Columbia at the Commission
24 offices on the day of the merits hearing.

25 And if you provide testimony tonight, you

1 would not be permitted to provide testimony a
2 second time, because your testimony given here will
3 be as though you were in Columbia giving it.
4 That's the reason why we came here is to give you
5 an opportunity to testify without having to drive
6 to Columbia.

7 So now I'm going to call some names. I have
8 Michael Bratcher and Scott Johnson and Melanie
9 Wilson as the first three names on my list.

10 [Witness sworn]

11 THEREUPON came,

12 **M I C H A E L B R A T C H E R ,**

13 who, having been first duly sworn, testified as follows:

14 **MR. RICHARDSON:** Please state your name and
15 address, and if you're a customer of the company.

16 **WITNESS:** My name is Michael Bratcher. My
17 address is 1113 Old Denver School Road, Pendleton,
18 South Carolina. I've been a customer of Utilities
19 Services for about 12 years now.

20 I wanted to say that both of my neighbors --
21 I'm in between two neighbors who are served by
22 Sandy Springs Water District, and their water bill
23 runs about \$12 a month right now, where my water
24 bill runs about three times, or about 120 percent,
25 more than their water bill now for the same water.

1 Where Utilities purchases water from Sandy Springs
2 Water Company and resells it at that price, that
3 makes me pay almost triple what customers of Sandy
4 Springs Water District pay.

5 I also want to state that they have justified
6 their rate increase by capital improvement projects
7 that they have done. But in Calhoun Acres
8 subdivision, no capital improvement projects have
9 been completed. They did attempt to put in a
10 pressure reducer last year, but to my knowledge
11 that was never completed. And we have issues with
12 pressure that does not regulate itself. One day
13 you may have a trickle; one day you have a rushing
14 stream. You never know what the pressure is. When
15 they have leaks or breaks in there, we have muddy
16 water or bad quality for at least six to seven days
17 thereafterwards before the mud clears out of the
18 water, because they have no adequate system to
19 flush.

20 Also, on the letter that Utilities wrote to
21 the Utilities customers, it stated that, for
22 customers where they buy water from another utility
23 service, that water would be delivered to their
24 faucet -- a gallon of water would be delivered for
25 less than half a penny on that -- that's to the

1 proposed new rates. My water bill right now is
2 triple that. We do not get water for less than
3 half a penny a gallon to the faucet. It shows an
4 average use of the 55 gallons and an average daily
5 cost of 93 cents, which is not less than half a
6 penny, so -- it says a typical customer would
7 receive that.

8 Also, again, on quality, the quality of
9 service that we get, customer service is not good.
10 It took me -- I attempted to locate somebody to
11 speak with, with Utilities Services, for about four
12 days. You could not get anybody on the customer
13 service number. And if you get somebody, they act
14 like it's your problem and they really don't want
15 to deal with it. There is not an adequate customer
16 service, and they want to charge a 47 percent rate
17 increase for service that they're not providing.

18 **CHAIRMAN HAMILTON:** Do we have any questions
19 of Mr. Bratcher?

20 **MR. ELLIOTT:** No questions. I appreciate Mr.
21 Bratcher coming in this evening.

22 **MS. BELSER:** No questions, Mr. Chairman.

23 **CHAIRMAN HAMILTON:** Commissioners?
24 Commissioner Fleming?

25 <

EXAMINATION**BY COMMISSIONER FLEMING:****Q** Good evening, Mr. Bratcher.**A** Good evening.**Q** The information that you just gave us, about that they had sent out -- if I understood you correctly -- that they gave information that water costs less than a penny per gallon, for most --**A** Less than half a penny.**Q** Half a penny.**A** Yes, ma'am.**Q** Do you have that information with you?**A** Yes, ma'am, I do.**Q** Is that something you would be willing to put in as evidence in the case?**A** Yes, ma'am, that would be fine.**Q** And could you talk to me a little bit about the muddy water?**A** When they have a break or they do any repair, it takes about a week before our water clears. You will see the muddy sediment, brown water, coming out of the faucet. It's my understanding that they do not -- the system we have is very old, built back in the 1960s, and it does not have sufficient flushing that they can get all that mud and all out of there. So, like I say, our water

1 settles -- to me it looks undrinkable for six to seven
2 days every time they have a repair.

3 **Q** Do they give you information letting you know that a
4 repair is going to take place?

5 **A** I do get a phone call on my cell phone letting me know
6 that a repair is taking place and that we are on a boil-
7 water advisory, and they do call back and let me know
8 that the boil-water advisory has been lifted.

9 **Q** Okay. So they do advise you of --

10 **A** Yes.

11 **Q** -- that.

12 **A** Now, all the residents I don't believe get that, but I
13 do. They have that.

14 **Q** And could you talk a little bit about the attempted
15 project to improve the pressure? Were you notified of
16 that ahead of time?

17 **A** I had spoken with Mac Mitchell, from Utilities Services,
18 and their technicians had told me that they had frequent
19 breaks in our neighborhood because of the pressure. We
20 have a Michelin plant that is very close to there, and
21 I've been told that it's because the pumps kick on at
22 Michelin and that causes spikes in the pressure, and
23 that causes frequent breaks in the system, and that they
24 were going to attempt to put in a pressure regulator
25 there at the main valve, to try to reduce those spikes.

1 To my knowledge, they started on it but they never
2 completed that. And I may be wrong, but to my
3 knowledge, that was never completed, and we still have
4 that pressure issue: One day, high pressure; one day,
5 low pressure.

6 COMMISSIONER FLEMING: Okay. Thank you, very
7 much.

8 CHAIRMAN HAMILTON: Commissioner Whitfield.

9 COMMISSIONER WHITFIELD: [Indicating.] I blew
10 the --

11 CHAIRMAN HAMILTON: I believe you messed up.

12 COMMISSIONER WHITFIELD: I believe I blew that
13 one. Okay. Maybe I'll have better luck with this
14 one [indicating].

15 EXAMINATION

16 BY COMMISSIONER WHITFIELD:

17 Q Mr. Bratcher, right? Is that --

18 A Yes, sir.

19 Q You talked to Commissioner Fleming here at the end,
20 about your pressure issues. It sounds like it's
21 primarily high-pressure issues, but you have had some
22 low-pressure issues at times, and I think you said you
23 were a 12-year customer.

24 A Yes.

25 Q How long have you had these pressure problems?

1 **A** Ever since we moved into that neighborhood.

2 **Q** And you have the -- you have the high-pressure issues
3 and followed by the low-pressure issues? Can you talk
4 to us a little more about that?

5 **A** Like I say, some days you may turn on the spigot and you
6 can tell that you really only have a trickle. I mean,
7 sometimes we have very little water coming out. At
8 other times, you turn it on and it's just -- I mean,
9 it's rushing out. You never know what you're going to
10 get on there, whether it's going to be a good day or a
11 bad day, because the pressure is very changeable.

12 **Q** And I think you said you had talked with Mr. Mac
13 Mitchell of the company, correct? Have you also talked
14 with the South Carolina Office of Regulatory Staff, or
15 just with the company?

16 **A** I have talked with Dukes Scott several times, with the
17 Regulatory Staff. I'm not sure if we talked about the
18 pressure issue, or not

19 **COMMISSIONER WHITFIELD:** Thank You. Thank
20 you, Mr. Bratcher.

21 That's all I have, Mr. Chairman.

22 **CHAIRMAN HAMILTON:** Thank you.

23 You may be excused, Mr. Bratcher.

24 [WHEREUPON, the witness was excused,
25 followed by discussion off the record.]

1 [Witness sworn]

2 THEREUPON came,

3 S C O T T J O H N S O N ,

4 who, having been first duly sworn, testified as follows:

5 MR. RICHARDSON: Please state your name and
6 address, and whether you're a customer of the
7 company.

8 WITNESS: My name is Scott Johnson. 509 Old
9 Shoals Drive, Hidden Lake subdivision, here in
10 Anderson, South Carolina. I've been a customer of
11 USSC -- or Utilities, Incorporated -- for about ten
12 years now.

13 Basically, I'd just like to speak to you
14 tonight about, first of all, not only denying the
15 rate increase that they're asking for but
16 investigating the business and also the way they
17 run the business now. I actually had filed --
18 before I received this notice in the mail about the
19 rate increase, I had actually filed a report and a
20 complaint with the Regulatory Staff, with Mr. Chad
21 Campbell over here [indicating] about just
22 investigating some of their business practices.

23 I live in the Hidden Lake subdivision and the
24 water there is distributed and purchased from West
25 Anderson Water, and basically we used to have a

1 well -- long story short, years ago the well went
2 dry and they put a bulk water tap in from West
3 Anderson, and they distribute the water through the
4 old two-inch lines that are there -- been there, a
5 lot of them, since the '60s and '70s, probably.

6 The pressure issue, as the man was discussing,
7 is terrible in my neighborhood. No high pressure,
8 just low pressure. It's got really, really low
9 pressure. If you get up on certain mornings at the
10 right time -- on Sunday morning to go to church --
11 and face two or three people taking a shower, you
12 can't hardly get the soap out of your hair.

13 So, you know, I would just ask, too, that --
14 my complaint was basically about the water loss.
15 Just a quick example, if 100,000 gallons of water
16 came through the bulk water tap, and 80,000 was
17 what the neighborhood used, USSC is allowed to
18 charge up to a certain percentage of that lost
19 water to us. And, I mean, I see no urgency in any
20 calls that you give, you know, trying to get some
21 help with a leak or anything, plus their customer
22 service is not good, to say the least. So I did
23 file a complaint already about that.

24 It almost is like we have a situation with a
25 monopoly. And I know a utility can't really be

1 considered a monopoly because it is governed by
2 state government and federal government, and you
3 have places like the Regulatory Staff and the
4 Public Service Commission to monitor that, but I
5 also understand that all of us sitting right here,
6 we can't drill a well in our backyard; we can't
7 pump water out of Lake Hartwell. And two streets
8 over, my neighbors are on West Anderson, and their
9 water bill is literally a third of what mine is.
10 Not half.

11 And I understand earlier she said \$10 more.
12 I'll put some hard numbers to that right quick
13 before my time runs out. My water bill is a real
14 water bill. My water bill's for four people -- I
15 have four children, two of them grown and gone but
16 I still have two small middle-aged children that
17 live at home, teenagers, and a small child, and my
18 wife and myself. So there's four people in my
19 house. Last month, my water bill was \$151.26.
20 We're real people. You know, the \$42 that the
21 letter said? That \$42 is a base charge and less
22 than 3,300 gallons of water per month, if you do
23 the math. Nobody uses 3,300 gallons of water. You
24 use much more than that. In this particular month,
25 I used 12,000 gallons of water. My water bill was

1 \$151.26. With the proposed rate hike, it would be
2 \$175.20. And by the figures that I got from West
3 Anderson Water -- I went to the office, got that
4 figure -- my water bill would've been \$47.59.

5 So that's real, hard numbers to tell you that
6 it's not \$10, it's not \$50. It's triple. We
7 literally pay -- you heard somebody say it earlier.
8 We literally pay triple what our neighbors do, for
9 the exact same water that comes from West Anderson,
10 with horrible service and -- I mean, it's -- and I
11 know people; you know, they get upset and their
12 tempers flare --

13 [3-minute alarm]

14 -- but sometimes you can't help it, if you
15 live in my neighborhood and pay three times for the
16 water.

17 **CHAIRMAN HAMILTON:** Do we have any questions
18 of Mr. Johnson?

19 **MR. ELLIOTT:** No questions. We appreciate his
20 being here, though.

21 **MS. BELSER:** No questions.

22 **COMMISSIONER HOWARD:** Mr. Chairman?

23 **CHAIRMAN HAMILTON:** Okay. Mr. Howard --
24 Commissioner Howard?

25 <

EXAMINATION**BY COMMISSIONER HOWARD:**

Q Mr. Johnson, thank you for coming. Could you discuss with me the lost-water issue you mentioned?

A Yes, sir. One of the complaints that I filed, of the many in the past -- and Mr. Campbell, again, has been very helpful in gathering information for me in my neighborhood -- according to everything, including USSC when I've called and talked to them, a bulk water tap was installed where the well used to be. So all the water from my neighborhood flows through that bulk water tap, and it's got a meter on it just like the one at your house. And we pay, or USSC pays for whatever comes through that bulk water meter.

So, as an example, if we got 100,000 gallons of water, that's how much we have to pay for; that's how much USSC has to pay West Anderson for. Well, four of us live in the neighborhood, and that four of us, our water meter only adds up to 80,000 gallons -- and I'm exaggerating the numbers, again -- so we lost 20,000 gallons of water somewhere because we didn't use it, as customers, but it came through the bulk water tap. Well, that cost is seen in what we call the water supply charge on your bill. If you look at your water supply charge, it changes every month. You know, it's like

1 .005 cents or .006 cents or .0- -- and that rate varies.
2 And from my understanding from both the Regulatory
3 Staff, what he's got -- and he's still working actively
4 on this -- and from USSC, that's part of that water
5 loss. And I also noticed that in their letter -- if I
6 understand this right -- they're asking to remove the
7 limit on non-account water charged to the customer.
8 That almost sounds like, to me, that there is some type
9 of limit now on what they can charge me for that, and
10 they're saying, "Hey, if it's 10 percent, can you please
11 take that away so if we leak 4 billion gallons of water,
12 we can just, you know, distribute it out on these poor
13 folks out here who don't have any choice, and that way
14 it won't cost us anything?" Maybe I'm misinterpreting
15 that, but that's the way that reads to me is that that's
16 what they're asking for, that that cap or limit -- which
17 I think is 10 or 15 percent range -- that they're asking
18 that that even be pulled, so "Now we can leak even more
19 water, and it really don't matter to us because we can
20 just pass the bill along to the suckers who have to pay
21 the bills."

22 **Q** Discuss with me the infrastructure, the water
23 infrastructure. You mentioned the pipe. Tell me about
24 what kind of pipes. How old do you think the pipes are?

25 **A** I know that the first houses in my subdivision were

1 probably built in the late '60s/early '70s. Some of
2 that water line has been added, but years ago -- I
3 bought my house in 1999, and the water distribution
4 actually belonged to Hughes Well Drilling. So that was
5 a well that serviced this neighborhood. Well, that was
6 two-inch line -- most of that's two-inch, or maybe two-
7 and-a-half-inch line, small line, because it was a well,
8 not public water coming from a service.

9 Well, the way USSC acquired this thing years ago
10 was because the well no longer would -- they built so
11 many houses in there and the well no longer would -- you
12 know, was sufficient to provide adequate water for the
13 homes, so they just tied the bulk water tap in over
14 there. The pressure is -- again, you can ask anybody in
15 my neighborhood. And actually my house is the very last
16 house on the line, according to, you know, the guys at
17 USSC that I talked to before. So my water pressure
18 sometimes is horrible. I mean, I've got little girls
19 with long hair, so they literally have to stay in the
20 shower sometimes -- again, sometimes it's got great
21 water pressure, what I would consider adequate water
22 pressure, and then other times it's ridiculous.

23 The quality seems to be good. You know, the water
24 seems to be clear and clean, but the pressure does vary
25 quite drastically.

1 And as far as improvements, I haven't seen
2 anything. Actually about two weeks ago they came around
3 and weed-eated around the meters and painted them blue
4 -- I guess so they could find them and make sure they
5 wasn't missing nobody. But other than --

6 [Laughter from audience]

7 -- that, like I say, I haven't -- [words indiscernible] .
8 But really, that's all -- that's the only thing I've
9 actually seen them do anything. And the guy who reads
10 the meter, he's a great young man. I mean, I know he
11 gets an earful every time he comes through the
12 neighborhood, and he's just doing his job reading the
13 meters, but that's the only -- literally, that's the
14 only improvement I've ever seen since the last hearing
15 request. After that hearing, they were going to do
16 something about the water pressure and they were going
17 to -- but I never seen anything and, if they did, we
18 were not notified. And I didn't see any difference, so
19 it didn't work.

20 **Q** Two more questions: Number one, how many residents or
21 homes on your system?

22 **A** In my particular neighborhood, there's probably about 20
23 -- 20 to 25 homes. Now, they can service other areas.
24 I live in Hidden Lake I; there's also a Hidden Lake II,
25 and some other areas there that they service. But in my

1 particular subdivision right there where that bulk water
2 tap is, it's probably 20 to 25 homes.

3 **Q** Do you have any issue with muddy water, as the previous
4 -- or, you said your water's --

5 **A** Right now, the water is clean. I mean, because they
6 don't really do anything to it; it just comes from West
7 Anderson and runs through some pipes that they charge
8 us, you know, three times as much to let it run through
9 some pipes to get to my house. But the water quality
10 and all, I have no complaints or issue with that. it
11 seems to be fine.

12 **COMMISSIONER HOWARD:** Thank you, Mr. Johnson.

13 **CHAIRMAN HAMILTON:** Thank you. Commissioners,
14 any others?

15 [No response]

16 You may be excused.

17 **COMMISSIONER FLEMING:** Uh --

18 **WITNESS:** Thank you.

19 **COMMISSIONER FLEMING:** -- Mr. Chairman.

20 **CHAIRMAN HAMILTON:** I'm sorry.

21 **WITNESS:** Somebody else?

22 **CHAIRMAN HAMILTON:** Yep, yep.

23 **EXAMINATION**

24 **BY COMMISSIONER FLEMING:**

25 **Q** I just wanted to follow up with what you said. Are you

1 saying that there are actually four homes who you saw
2 all four homes' bills, who were billed for 80,000
3 gallons and --

4 **A** No, no, no, no.

5 **Q** Oh, you were just --

6 **A** I was just using that -- I was --

7 **Q** -- using that?

8 **A** -- just using that as a water-loss example.

9 **Q** Okay.

10 **A** Because we, as customers, never see that bill.

11 **Q** You don't know what that is, for sure.

12 **A** No. No, no, no, I was just using that for -- and,
13 again, that was just an exaggerated number. But what
14 I've requested from the Regulatory Staff is I would like
15 to see what that meter reading is, versus what we use as
16 a neighborhood. I mean, I think that's only fair, that
17 as a customer, I should be able to see how much water
18 they lose every month and how much I'm being charged for
19 that.

20 We good?

21 **CHAIRMAN HAMILTON:** Thank you, sir.

22 **WITNESS:** You're welcome.

23 [WHEREUPON, the witness was excused.]

24 **MR. DONG:** Ms. Wilson is next, but before we
25 go to her, did Mr. Bratcher have a document he

1 wanted to enter into evidence, or -- okay. I
2 wanted to be sure we -- since you said you wanted
3 it to go in, wanted to go ahead and have that
4 marked. And that will be Hearing Exhibit No. 1.

5 [WHEREUPON, Hearing Exhibit No. 1 was
6 marked and received in evidence.]

7 Okay? All right. And Ms. Wilson?

8 [Witness sworn]

9 THEREUPON came,

10 **M E L A N I E W I L S O N ,**

11 who, having been first duly sworn, testified as follows:

12 **MR. RICHARDSON:** Please state your name and
13 address, and whether you're a customer of the
14 company.

15 **WITNESS:** My name is Melanie Wilson. I live
16 at 1010 Windwood Drive. I'm a customer of
17 Utilities Services.

18 I want to thank the Commissioners for being
19 here tonight, because I was not planning on making
20 the trip to Columbia this year, so I very much
21 appreciate you coming to us.

22 As some of you know -- most of you know I've
23 been at these hearings before and have spoken
24 before. 2005, a rate increase was applied for and
25 received. 2007, applied for and denied, under

1 bond. Went to the Supreme Court. As far as I
2 know, it passed this time, so we got stuck with all
3 that water increase that I hoped we weren't -- had
4 defeated.

5 That left me with great frustration, and
6 basically not a lot of confidence in the system,
7 I'm afraid to tell you, and I just gave up, because
8 I don't know what else to do. I considered being
9 an intervenor and I decided not to.

10 My water bill's around \$85 to \$95 a month.
11 The water supplier is Hammond Water Company, and if
12 you live in the neighborhood next to mine, your
13 water bill is between \$20 and \$25 a month, and it's
14 the same water and the same everything except
15 different pipes in the ground.

16 I did approach Hammond about their buying our
17 water system, but I don't think anybody's
18 interested because they're just going to be paying
19 for pipes that have never been replaced, at a very
20 high cost. And they were very gracious to talk to
21 me, but I got no interest from them because I just
22 don't think it's feasible for them costwise to
23 purchase our water system. So I don't feel like
24 that's ever going to really happen. Nobody wants
25 to buy a bunch of rusty old pipes, and no capital

1 improvements have been made in our neighborhood.
2 All they ever did was shut a well down and put a
3 bulk meter on. There's no flushing of the water.
4 There's no -- we don't have a problem unless
5 there's a break. The water gets muddy. But after
6 it's flushed -- after the water works through the
7 system, it goes away.

8 I just wish there was a way that distribution-
9 only customers could pay different rates than the
10 customers who receive full water service from
11 Utilities. I don't understand why we have to pay
12 for what other people get in other places, in other
13 states and other counties and other neighborhoods.
14 Most of the people here are frustrated because we
15 don't have any service from this company other than
16 a bill in the mail and the pipes in the ground --
17 and if there's a break, they address it if you
18 call. But it's wrong for us to have to pay rates
19 for capital improvements in another place, and I
20 wish it could be different. And I don't really
21 have a lot of confidence that it will, but I hope
22 that you'll look at it and see if there's a way
23 that you can help us out.

24 **CHAIRMAN HAMILTON:** Thank You, ma'am. Do we
25 have any questions of Ms. Wilson?

1 **MR. ELLIOTT:** No questions. Thank you.

2 **CHAIRMAN HAMILTON:** Okay.

3 **MS. BELSER:** No questions.

4 **CHAIRMAN HAMILTON:** Commissioners?

5 [No response]

6 Thank you, very much, Ms. Wilson.

7 [WHEREUPON, the witness was excused.]

8 **MR. DONG:** Dennis Hinman, Charles Royster, and
9 -- looks like -- Larry Cox?

10 [Witness sworn]

11 THEREUPON came,

12 **D E N N I S R . H I N M A N ,**

13 who, having been first duly sworn, testified as follows:

14 **MR. RICHARDSON:** Please state your name and
15 address, and whether you're a customer of the
16 company.

17 **WITNESS:** Dennis Hinman, 104 Richfield Drive,
18 Hidden Lake subdivision. I'm a close neighbor to
19 Scott Johnson, and first of all, I'd like to second
20 everything he said, because we go through the same
21 things together.

22 The other thing I'd like to add is: water
23 bills. My yearly bill last year was \$993. If I'd
24 got it from West Anderson, it'd have been \$347.
25 West Anderson also charges \$4.50 for every 1,000

1 gallons over the 4,000 gallons they give you free
2 in their basic charge. They also -- if there's a
3 water leak, they only bill you from the road to
4 your house, not the whole subdivision.

5 And I want to agree with Scott on what he said
6 about lost water, in that it fluctuates from month
7 to month on their charge, and I don't think that's
8 right -- just like anybody else wouldn't.

9 And I know you folks are up here to represent
10 the public, and I surely hope you represent the
11 public, because I think Utilities Services is
12 gouging the public. Their water percentage over
13 West Anderson for my water bill is 35 percent
14 higher, and I think that's an outrage. They're
15 just passing through water and power bills. Thank
16 you.

17 **CHAIRMAN HAMILTON:** Thank you. Just a second,
18 sir.

19 Do we have any questions?

20 **MR. ELLIOTT:** No questions of Mr. Hinman. I
21 appreciate his coming.

22 **MS. BELSER:** No questions.

23 **CHAIRMAN HAMILTON:** Okay. Commissioners?

24 [No response]

25 Thank you, very much, sir.

1 [WHEREUPON, the witness was excused.]

2 [Witness sworn]

3 THEREUPON came,

4 C H A R L E S R . R O Y S T E R ,

5 who, having been first duly sworn, testified as follows:

6 MR. RICHARDSON: Please state your name and
7 address, and whether you're a customer of the
8 company.

9 WITNESS: My name is Charles Royster. I live
10 on 112 Greenfield Avenue, in Sandy Springs.

11 The subdivision I live in is Green Acres and
12 there's 100 houses there. Me, myself, live on 112
13 Greenfield Avenue, by myself. I have no washing
14 machine and no dryer, so I do not wash clothes. I
15 do not water flowers. And my water bill each month
16 comes between \$35-\$40 a month. One person. I'm a
17 clean person; I take baths and showers, maybe once
18 or twice a day, maybe. But I'm clean, anyway. And
19 it's just ungodly how can -- water is not -- I
20 don't see why and how you can take the money from
21 us for water that's -- it's just senseless.

22 Across the road, Sandy Springs Road, on the
23 other side, Sandy Springs Water Company, pretty
24 nice house, they pay each month and it's like half
25 of what I pay per month. And I'm by myself and I

1 don't use no bunch of water. And I just wonder
2 why. And that's all I can say.

3 **CHAIRMAN HAMILTON:** Thank you, sir.

4 Do we have any questions of Mr. Royster?

5 **MR. ELLIOTT:** No questions of Mr. Royster. I
6 appreciate you being here.

7 **WITNESS:** Yes, sir.

8 **MS. BELSER:** No questions.

9 **CHAIRMAN HAMILTON:** Any Commissioners?

10 [No response]

11 Thank you, Mr. Royster.

12 **WITNESS:** Yes, sir.

13 [WHEREUPON, the witness was excused.]

14 **MR. DONG:** Mr. Cox?

15 [Witness sworn]

16 THEREUPON came,

17 **L A R R Y C O X ,**

18 who, having been first duly sworn, testified as follows:

19 **MR. RICHARDSON:** Please state your name and
20 address, and whether you're a customer of the
21 company.

22 **WITNESS:** My name is Larry Cox. Address is
23 106 Edgewater Drive, Bridgewater subdivision. And
24 I've been a customer of Utilities Services for
25 about ten years.

1 I'm president of the homeowners' association
2 for Bridgewater subdivision, and kind of standing
3 in for tonight, but we have some real concerns
4 about the rate of the increase. It seems like an
5 exorbitant increase that they're asking for. We
6 have several retired people in our neighborhood,
7 and that could be an extreme burden on them.
8 Myself, I've been three years with a 2 percent
9 raise. That's 2 percent over three years. They're
10 asking for an 47 percent increase in water rates.
11 I just -- I'm of the opinion that they're asking
12 way too much on this. That's all I have.

13 **CHAIRMAN HAMILTON:** Thank you.

14 Do we have any questions of Mr. Cox?

15 **MR. ELLIOTT:** No questions, but I thank Mr.
16 Cox for coming out.

17 **MS. BELSER:** No questions.

18 **CHAIRMAN HAMILTON:** Commissioners?

19 [No response]

20 Thank you, very much, Mr. Cox.

21 **WITNESS:** Thank you.

22 [WHEREUPON, the witness was excused.]

23 **MR. DONG:** Larry McAlister, Otto Havaland_[sic],
24 and Carol Cook?

25 [Witness sworn]

1 THEREUPON came,

2 L A R R Y M c A L I S T E R ,

3 who, having been first duly sworn, testified as follows:

4 MR. RICHARDSON: Please state your name and
5 address, and whether you're a customer of the
6 company.

7 WITNESS: My name is Larry McAlister. I live
8 at 312 Clearview Drive, Clearview subdivision.
9 I've been a customer with Utilities Services for
10 probably about 14 years.

11 I have lived at this address for 43 years. It
12 was originally Hughes Well System. I've seen it go
13 from Hughes Well System to other systems, until now
14 to Utilities Services. There has never been any
15 upgrade to this system as long as I've been there.

16 I have greatly complained over and over again
17 -- and I'm like Ms. Melanie Wilson; I have almost
18 got disgusted. If you don't believe that I have
19 contacted the Public Service Commission and the
20 Regulatory Staff, I have the files to prove it
21 [indicating].

22 I don't know what else to do. I've almost not
23 -- almost decided not to show up today, because I
24 felt like that we were going over and over and over
25 the same situation that we keep complaining about,

1 but it's not doing us any good. It's not giving us
2 the quality of service and the quality of what we
3 need.

4 Now, I live at the highest point in this
5 neighborhood. There's approximately 60 homes on
6 this system. There's only one inlet, which is
7 [word indiscernible] -- maybe they could go over another
8 road, about half a mile, just connect it onto West
9 Anderson Water Service that connects us a meter,
10 and then it's Utilities Services. By the time it
11 gets up to me, I constantly have low water
12 pressure.

13 Now, when they -- I wasn't aware, but I have
14 had them constantly come out and put meters on and
15 check the pressure on my water meter and my house.
16 They just recently done it, and then it -- right
17 before we got this notice of rate increase. It
18 stayed on there for about a week. They come and
19 got it. Did I get any information from them? No,
20 I did not.

21 I have done everything I know to do to keep
22 our water rate -- the -- our water bill down. I've
23 changed things in my house. My wife and I learned
24 that if we take a shower, she doesn't cut the
25 washing machine on --

1 [3-minute alarm]

2 -- because the water pressure goes down. If
3 someone down the street cuts on the water to water
4 their lawn, I get low water pressure. But it is --
5 we have went through this. I have notes going back
6 to 1994 that we're constantly going through the
7 same system, same thing.

8 I appreciate the Office of Regulatory Staff.
9 They probably know me like a brother.

10 [Laughter from audience]

11 I don't know what else to do, but I hope y'all
12 decide to do what is best for the customer. It's
13 not -- that's who y'all are working for, the
14 customer, and the people of South Carolina. Y'all
15 need to listen. Y'all can go back and probably see
16 some things that I sent in from back years ago.
17 I've went from neighborhood to neighborhood and got
18 signed petitions. I still got them [indicating],
19 my copies. Y'all should have them. This is
20 getting tiresome.

21 Now, when y'all get tired of your old job,
22 you've got somebody or they get somebody in your
23 old place. But we stay, and we have to stay and
24 live off the same situation, over and over again.
25 So please, listen to us for one time.

1 And again, I would like to say we did -- y'all
2 did deny the last rate increase, but they put it
3 under bond. I asked, "What do you do next?" No
4 one could tell me. It was left out of the
5 customers' hands. It was in the Supreme Court of
6 South Carolina. We could not voice our opinion.
7 It automatically went up in effect by y'all giving
8 them the approval. We didn't have a say-so in
9 that.

10 I appreciate y'all, and thank you for
11 listening to me.

12 **CHAIRMAN HAMILTON:** Okay. Do we have any
13 questions for Mr. McAlister?

14 **MR. ELLIOTT:** No questions for Mr. McAlister.
15 Thank you.

16 **MS. BELSER:** No questions.

17 **CHAIRMAN HAMILTON:** Commissioner Howard.

18 **EXAMINATION**

19 **BY COMMISSIONER HOWARD:**

20 **Q** Mr. McAlister, you mentioned -- you mentioned your file.

21 **A** Yes.

22 **Q** Could you, just in several short sentences, tell me --
23 just go over your issues. You mentioned no upgrade, you
24 mentioned quality of service. Just give me a brief
25 landscape or picture of other issues that you have sent

1 to the PSC and ORS.

2 **A** You're talking about the last issues that I --

3 **Q** No, just -- you know, just in your file. You mentioned
4 quality of service. Define "quality of service." Is it
5 a billing problem? Is it --

6 **A** It's a constant low water pressure.

7 **Q** Okay.

8 **A** It's a constant low water pressure that -- you go and
9 look in your bathroom, in any commode, you see trash.
10 There's always something in there.

11 They know that I have -- I've got every one of the
12 -- some of the guys -- I'm good about getting their
13 phone numbers and be able to call some of the guys that
14 work at the utility company, so I won't have to go
15 through a big long line of phone numbers. I get them to
16 come to my house and check. In fact, Mr. Willie Nelson
17 -- Morgan, on one or another -- and then the guy from
18 Utilities Services was with you -- I was standing there
19 in the front yard. What did you just tell me? It's the
20 line in my house. He said, "Well, why don't you just go
21 ahead and run you another line up there to the back of
22 your house, to the other water company?"

23 **Q** Do you have a two-inch line in your neighborhood? Do
24 you know the size of the line that serves your
25 neighborhood?

1 **A** I would say it would be two and a half inch to three
2 inch. It's cast iron lines.

3 **Q** What about the quality of the water itself, assuming
4 there's pressurization?

5 **A** The quality of the water where I live, if it's -- the
6 pressure is throughout the -- it's regulated, and I'll
7 call and they'll do something about it, or maybe go down
8 there and check, and come up and check my water
9 pressure. They could go down to the meter, and up the
10 meter for the subdivision's water. I do not know. They
11 don't know.

12 My wife and I have learned to be able to conserve
13 the water, be able to do things in our house -- like I
14 said, if one of us -- if I'm taking a shower, she knows
15 not to go in there and turn on the dishwasher or washing
16 machine, because it drops the pressure, and when I got
17 my water regulated in the shower, if she cuts it on,
18 then I'll get scalded.

19 **COMMISSIONER HOWARD:** Thank you, very much.

20 **CHAIRMAN HAMILTON:** Commissioner Whitfield?

21 **COMMISSIONER WHITFIELD:** Thank you, Mr.

22 Chairman.

23 **EXAMINATION**

24 **BY COMMISSIONER WHITFIELD:**

25 **Q** Mr. McAlister, I just want to follow up a little bit

1 with where Commissioner Howard was going on the pressure
2 issues. You being at the top of the highest point in
3 your neighborhood --

4 **A** Correct.

5 **Q** -- your only issue is low water pressure. You haven't
6 had the irregular pressure, like we heard from another
7 witness tonight? Or is it just low, or do you have
8 other --

9 **A** It's pretty well low, in the ones I visit, because I go,
10 and I see that they went through other subdivisions,
11 which I'm not aware of any of them in our area, but they
12 say they've upgraded the systems. I would just like to
13 see them upgrade our system. One of these days, them
14 cast iron lines are going to burst.

15 Two to four years ago, they asked for a rate
16 increase. I took it on myself to walk through our
17 neighborhood with a camera. They was getting -- they
18 was charging us for the water that was coming through
19 the system, bulk rate. I found a leak down on Shannon
20 Drive and took a picture of it, that it was almost -- was
21 an underground line, [word(s) indiscernible] running through a
22 pipe down in the creek.

23 I sent that -- I sent you [to Mr. Morgan] a copy of
24 all my photographs, correct?

25 **Q** Let me follow up with you with one other thing. You

1 mentioned in your original testimony that you had --
2 they had put -- taken a meter out to you and checked
3 your pressure, and then did you not get any results --

4 **A** I did not --

5 **Q** -- from the company or from ORS on what they found out?

6 **A** I did not get any feedback on any of it.

7 They just recently -- when we got the letter this
8 time for this meeting here, saying they're going to ask
9 for a rate increase, I called them and asked -- and told
10 them I kept -- the water was low. It wasn't regulating
11 right at my house --

12 **Q** So you don't know the results --

13 **A** -- so -- so, no, I do not. They put a gauge on my meter
14 and put a gauge on my spigot on the outside of the
15 house. Stayed there one week. I do not know -- from
16 day one, do not know whatever -- what was the problem.

17 **Q** And you've -- have you had any -- have you tried to
18 contact them back, or had any communication since then,
19 to try to find out?

20 **A** No, I haven't. This has been -- we got a letter that
21 y'all were coming up, so I figured that I'd just go
22 ahead and voice my opinion here and now.

23 **COMMISSIONER WHITFIELD:** Thank you, Mr.
24 McAlister.

25 That's all I have, Mr. Chairman.

1 **CHAIRMAN HAMILTON:** Thank you. Thank you, Mr.
2 McAlister.

3 [WHEREUPON, the witness was excused.]

4 **MR. DONG:** Mr. Havaland_[sic]?

5 [Witness sworn]

6 THEREUPON came,

7 **O T T O H A U G L A N D ,**

8 who, having been first duly sworn, testified as follows:

9 **MR. RICHARDSON:** Please state your name and
10 address, and whether you're a customer of the
11 company.

12 **WITNESS:** My name is Otto Haugland. I live in
13 Towncreek Acres, 145 Live Oak Court, and I've lived
14 there for almost 20 years.

15 I'm not going to complain about pressure or
16 dirty water or anything else. Everybody else has
17 covered that pretty well. My contention and my
18 problem is the fact that we're served by Utilities,
19 Inc., from Hammond Water District. Now, Hammond
20 Water District charges \$2.34 per 1,000 gallons of
21 water. Over the past three or four years, the
22 rates that we get charged by Utilities, Inc., from
23 Hammond Water range from \$2.37 per 1,000 to \$5.30
24 per 1,000. Now, that's double. That means that
25 they are losing, somewhere, half of the water that

1 they're buying, and we're paying for that loss or
2 -- or whatever. I've never been able to get any
3 information. Not that I've spent a lot of time at
4 it, because you don't get much when you call
5 Columbia. And I'm not talking about the state; I'm
6 talking about Utilities, Inc.

7 And my house -- it's my wife and I. We are 79
8 years old. We're frugal with water; we always have
9 been, our whole married life. We use, normally,
10 3,200 to 4,200 gallons per month, and our water
11 bills run from \$37 to \$60 a month. Now, that's
12 outrageous.

13 I think that, without the increase, the rates
14 that we are paying are outrageous. We're paying
15 twice. Utilities, Inc., collects \$2.91 per 1,000,
16 for nothing, just because the water is running
17 through their pipes. We're paying them \$16.53 a
18 month for those pipes, to maintain them, to improve
19 them.

20 I'll say another word about pressure. We have
21 low pressure. Talking to the gentleman that comes
22 around our neighborhood, we've got two-inch plastic
23 pipe in our subdivision. They can't put any higher
24 pressure on that; it'll blow the pipes apart. So
25 we live with relatively low water pressure. I can

1 live with that. I can't live with this sort of an
2 increase in rates. I thank you.

3 **CHAIRMAN HAMILTON:** Thank you.

4 Do we have any questions, please?

5 **MR. ELLIOTT:** No, sir, no questions. Thank
6 you, sir.

7 **CHAIRMAN HAMILTON:** Ms. Belser?

8 **MS. BELSER:** Mr. Halton?

9 **WITNESS:** Haugland.

10 **MS. BELSER:** Could you spell it?

11 **WITNESS:** Haugland, H-a-u-g-l-a-n-d.

12 **MS. BELSER:** And would you give us your
13 address again, please?

14 **WITNESS:** 145 Live Oak Court.

15 **MS. BELSER:** Thank you, sir.

16 **CHAIRMAN HAMILTON:** Thank you. Any other
17 questions?

18 [No response]

19 Thank you, very much.

20 [WHEREUPON, the witness was excused.]

21 **MR. DONG:** Ms. Cook?

22 [Witness sworn]

23 THEREUPON came,

24 **C A R O L C O O K ,**

25 who, having been first duly sworn, testified as follows:

1 **MR. RICHARDSON:** Please state your name and
2 address, and if you're a customer of the company.

3 **WITNESS:** Hi. I'm Carol Cook, and I've been
4 living in South Carolina for about seven years. I
5 live at 35 Widewater Court, in Iva, South Carolina,
6 part of the Purdy Shores subdivision.

7 And my complaint is actually similar to the
8 gentleman that went before me. When I first moved
9 here, we were billed by USSC, and then in 2008 we
10 were switched over to Utilities, Inc. At that
11 time, they added a water distribution base charge
12 of \$16.53 to our bill each month. That was a set
13 fee we had not been previously charged.

14 And our water system has gone through a couple
15 of changes. We had a well system, but we had some
16 difficulty because there was low-level radiation in
17 the water, and they attempted to fix it, and
18 eventually put us on Starr-Iva. So, now they buy
19 their water from the Starr-Iva system and then
20 resell it to us, and they shut down -- to my
21 knowledge -- our community well system. No real
22 complaints about that; the water quality is
23 generally good, so -- it's been a little bit murky
24 lately, but I did hear on the news that because the
25 water is coming from Hartwell and there's been so

1 much rain this season, they're saying that the
2 water is not quite as clear as it normally is.
3 Could be a weather condition.

4 My only other -- my complaint, though, is that
5 they keep raising their fees. The \$16.53-a-month
6 fee that they tack onto our bill just for the
7 pleasure of billing us -- so we can send our
8 payments to either Altamonte Springs, Florida, or
9 Lewiston, Maine -- that fee of \$16.53 now is going
10 to be raised to \$24.24, which is an increase of
11 46.6 percent. They also say that our access -- not
12 access fee -- our fee per gallon, according to the
13 letter that they sent, will go from \$5.40 per 1,000
14 gallons to \$7.91 per 1,000 gallons. That's also an
15 increase of 46.5 percent.

16 So my complaint basically is, it seems like a
17 fairly large percentage increase for a single
18 increase in -- you know, from last month to
19 whenever this goes into effect, 46½ sounds high.

20 And there was one other thing. Oh. But
21 recently, there's also another charge on there,
22 which I don't completely understand. It's a
23 distribution charge. Lately, we've been paying not
24 the \$5.40 -- that's what they charged when they
25 first took over, that \$5.40 per 1,000 gallons

1 that's going to go up to, they say, up to \$7.91 --
2 but we actually pay \$2.91 per gallon_[sic] as a
3 distribution charge, and then a water supply charge
4 that varies. Over the past year, it's gone
5 anywhere from 8 to 11 cents per gallon -- 1,000 --
6 8 to 11 cents per 1,000 gallons. Yeah. And so
7 that actually makes our effective rate anywhere
8 from 7.8 to 11.1 per 1,000 gallons, you know, so --
9 and it does vary from month to month.

10 So my only complaint is basically a 46 percent
11 -- 46½ percent increase. It just sounds a little
12 bit excessive.

13 **CHAIRMAN HAMILTON:** Any questions, please?

14 **MR. ELLIOTT:** No questions for Ms. Cook. I
15 appreciate your coming.

16 **CHAIRMAN HAMILTON:** Thank you. Commissioners?

17 [No response]

18 **WITNESS:** Thank you for having me.

19 **CHAIRMAN HAMILTON:** Thank you, ma'am.
20 Appreciate it.

21 [WHEREUPON, the witness was excused.]

22 **MR. DONG:** Ms. Sylvia Taylor, Mr. James
23 Deaton, and Clifton Wickiser? I believe that's
24 right.

25 [Witness sworn]

1 THEREUPON came,

2 S Y L V I A T A Y L O R ,

3 who, having been first duly sworn, testified as follows:

4 MR. RICHARDSON: Please state your name and
5 address, and whether you're a customer of the
6 company.

7 WITNESS: My name is Silvia Taylor, and I
8 listed my address as 255 Sherwood Drive, in Belton,
9 because I have three rentals on Sherwood Drive and
10 I'm here to testify for them, that it will be a
11 hardship with any rate increase. They have
12 families; all of them have young children. And any
13 rate increase would be a hardship on them.

14 The quality of the water is okay, and so far,
15 the service has been okay. But it will be a real
16 hardship on them. Thank you, very much.

17 CHAIRMAN HAMILTON: Thank you, ma'am.

18 Do we have any questions of the witness?

19 MR. ELLIOTT: No questions of Ms. Taylor, but
20 I --

21 MS. BELSER: No questions.

22 MR. ELLIOTT: -- appreciate her coming. Thank
23 you.

24 CHAIRMAN HAMILTON: Thank you, ma'am, very
25 much.

1 [WHEREUPON, the witness was excused.]

2 [Witness sworn]

3 THEREUPON came,

4 J A M E S D E A T O N ,

5 who, having been first duly sworn, testified as follows:

6 MR. RICHARDSON: Please state your name and
7 address, and whether you're a customer of the
8 company.

9 WITNESS: My name is James Deaton, and I live
10 at 203 Fieldcrest Drive, in Anderson.

11 I've been on this water system for -- I don't
12 even know how many years; it's been a lot. But
13 it's constantly gone up since we've been there and
14 it's changed hands several times, and each time the
15 rate is increased. And my major complaint is the
16 price that we're paying for water. I have two
17 brothers that live on the West Anderson Water line,
18 and they pay less for two months than I pay for one
19 month. And there's the same number of people in
20 the household.

21 And the only other complaint that I really
22 have is the taste of the water. I buy water that I
23 drink, or filter it. The water has like a chlorine
24 taste to it, and I don't like that. That's
25 basically all I have to say.

1 **CHAIRMAN HAMILTON:** Thank you, sir.

2 Do we have any questions, please?

3 **MR. ELLIOTT:** None for Mr. Deaton. I
4 appreciate his coming.

5 **MS. BELSER:** No questions.

6 **CHAIRMAN HAMILTON:** Thank you, very much, sir.

7 [WHEREUPON, the witness was excused.]

8 [Witness sworn]

9 THEREUPON came,

10 **C L I F T O N W I C K I S E R ,**

11 who, having been first duly sworn, testified as follows:

12 **MR. RICHARDSON:** Please state your name and
13 address, and whether you're a customer.

14 **WITNESS:** I'm Clifton Wickiser. I live at 102
15 King Arthur Drive. I also happen to have a
16 business at 3618 East River Street, and both our
17 services are on Utilities, Inc.

18 I happen to be like a lot of people in here,
19 that I live surrounded by another water system. My
20 system happens to be Broadway Water & Sewer. I
21 don't quite have it as bad as some people in this
22 room, but basically I just want to -- I have
23 several copies of bills here. My mother happens to
24 live on the Broadway Sewer system, which is about
25 100 feet from my house. And I have a copy of the

1 bill with similar usage of 9,100 gallons over a
2 two-month period, and her bill is \$63.95. Which, I
3 have a bill from Utilities, Inc., which is
4 basically 9,660 gallons over a month period, and
5 the bill for this one is \$69.74. So if you break
6 it down, her 1,000, basically with Utilities, Inc.,
7 we're paying \$7.21. With Broadway Sewer, they're
8 paying \$7.02. So we're already paying an increase
9 in the competition that's right next door, and
10 we're facing a 47 percent rate increase, which I
11 don't think is quite right.

12 Also, a couple of other complaints about the
13 company is, you know, with other companies, you
14 know, I've been told from friends and family, if
15 you do have a busted pipe or something, they
16 usually allow some type of forgiveness if it's once
17 a year, or something like that. Well, not with
18 Utilities, Inc. I had two busted pipes, and one
19 was not found for -- you know, it was underneath my
20 house, and so it wasn't found for a while. I don't
21 know how long, exactly. But I had a \$1,400 water
22 bill, and there was no forgiveness whatsoever.
23 Basically, "Pay it or we'll turn your water off."
24 And so, you know, to chop out \$1,400 in one week is
25 pretty tough.

1 I also had another busted pipe underneath my
2 office, which was next door, and same thing. It
3 wasn't quite as bad or devastating that time. It
4 was a \$400 water bill, for a month. So, you know,
5 not quite as bad, but, of course, no forgiveness
6 whatsoever of any type, which other water companies
7 supply. You know, so that goes to say about the
8 customer service. Quite frankly, it was quite bad.

9 You know, a lot of times I don't receive a
10 bill at my house, and by the time you receive the
11 notice, if you send a check, by the time it gets to
12 Maine, your water's already cut off, okay? Because
13 it takes eight days for them to cash the check from
14 Maine, to get it from here.

15 So I guess that's about all I have to say.

16 **CHAIRMAN HAMILTON:** Do we have any questions?

17 **MR. ELLIOTT:** No, I don't. Thank you, very
18 much. I appreciate it.

19 **WITNESS:** Can I enter in these --

20 **CHAIRMAN HAMILTON:** Yes, sir. If you would,
21 please give them to the clerk, and that will be
22 Exhibit No. 2.

23 **MR. DONG:** Mr. Wickiser, if you don't mind,
24 would you spell your name, for the record, please,
25 sir?

1 **WITNESS:** It is W-i-c-k-i-s-e-r.

2 **MR. DONG:** Okay. And, Ms. Belser, did you
3 have something?

4 **MS. BELSER:** No. That was it.

5 **CHAIRMAN HAMILTON:** Thank you, sir.

6 [WHEREUPON, Hearing Exhibit No. 2 was
7 marked and received in evidence.]

8 [WHEREUPON, the witness was excused.]

9 **MR. DONG:** Jeff Sander_[sic], Dino Hicks, Paul
10 Walsh?

11 [Witness sworn]

12 THEREUPON came,

13 **C L A I R E D . H I C K S ,**

14 who, having been first duly sworn, testified as follows:

15 **MR. RICHARDSON:** State your name, please, and
16 address.

17 **WITNESS:** My name is Claire D. Hicks. I'm
18 commonly called Dino, my middle name. I live at
19 212 Arcadia Drive, in Anderson. I'm not far from
20 Mr. Otto, in Towncreek Acres. I built my home in
21 '94. It's my retirement home. I'll probably work
22 until they throw dirt on me.

23 Ms. Cook, you're spot-on with your figures.

24 Whether you know it or not, I was told by the
25 Anderson Regional Joint that there were 13

1 watersheds, municipalities in Anderson County. In
2 actuality, there's 18, with Utilities Services of
3 South Carolina being one of them. Guess who's the
4 most expensive? US -- South Carolina -- excuse me
5 -- Utilities Services of South Carolina. They do
6 charge the \$16.53 a month. No one else charges
7 that. The very highest was \$10 a month.

8 I have a comparison where they say they
9 haven't had a rate increase. I've hunted up all my
10 bills through last month, from September of '12 to
11 September of this year. My lowest bill was \$38.70.
12 Mind you, I'm the only one in the house. That was
13 September 12, of '12. My bill this month was
14 \$54.81. In 2012, I used 3,640 gallons. Came out
15 to \$1.21 per day. Now I'm using less water this
16 year, but my water bill continues to go up. Why?
17 Because of this little water supply charge that
18 fluctuates. Even though I'm using less water, I'm
19 paying more. It's documented.

20 If we're losing water, why am I paying for it?
21 If I'm using less, why am I paying more? I don't
22 think they're good stewards of their funds. I
23 don't think they're good business people. There's
24 a problem. If you're the most expensive water
25 utility in the county, out of 18 different

1 watersheds, and the others aren't going up on a 47
2 percent rate increase, something is wrong. They
3 are not good stewards; they're not good business
4 people.

5 To avoid any cutoff, I now make my payments
6 online because, if they don't get a check on time,
7 they cut you off.

8 I'll be glad to submit any of my
9 documentation.

10 [3-minute alarm]

11 Thank you.

12 **CHAIRMAN HAMILTON:** Thank you, ma'am.

13 Do we have any questions?

14 **MR. ELLIOTT:** No question for Ms. Hicks. I
15 appreciate you coming.

16 **MS. BELSER:** No questions.

17 **CHAIRMAN HAMILTON:** Commissioners?

18 [No response]

19 Thank you, ma'am, very much. Appreciate it.

20 **WITNESS:** Thank you.

21 **MR. DONG:** Ms. Hicks, do you have documents
22 that you wanted to submit?

23 **WITNESS:** I'll be glad to give you my bill,
24 September -- I'll be glad to give you my history.
25 I'll be glad to submit it.

1 **MR. DONG:** All right. Well, if you would --
2 we'll go ahead and enter those as Hearing Exhibit
3 No. 3.

4 **CHAIRMAN HAMILTON:** No. 3.

5 [WHEREUPON, Hearing Exhibit No. 3 was
6 marked and received in evidence.]

7 **WITNESS:** Thank you.

8 **CHAIRMAN HAMILTON:** Thank you, very much.

9 [WHEREUPON, the witness was excused.]

10 [Witness sworn]

11 THEREUPON came,

12 **P A U L A W A L S H ,**
13 who, having been first duly sworn, testified as follows:

14 **MR. RICHARDSON:** State your name and address,
15 please.

16 **WITNESS:** Good evening. My name is Paula
17 Walsh, and my address is 1009 Windwood Drive,
18 Anderson, in the Lakewood subdivision.

19 I'm here because I'm truly appalled at the
20 atrocious and unconscious_[sic] and immoral demand for
21 an increase of our water supply. We have lived at
22 this address for 33 years, started with Hughes
23 Water. I have never seen anything like this, with
24 relatives in New York, Pennsylvania, Florida. This
25 is unheard of. Our best friends -- and this is a

1 common theme throughout this whole evening -- who
2 lives less than a mile away, on Hammond Water, pays
3 \$50 for three months of water. Three adults in the
4 house, and we have three adults, and our average is
5 \$73 a month. Why? Nobody answers the question.

6 Ms. Wilson went through all of this and we all
7 feel discouraged, because of all the hard work she
8 did a couple of years ago, and nothing happened.
9 There was no representation from anyone. You are
10 the Public Service Commission of South Carolina.
11 We pay South Carolina taxes. We are not from
12 Florida, Maine, Illinois, or anywhere else. You
13 are our representatives on a commission. Our
14 representatives got us into this mess; they should
15 help get us out of this mess. It is totally
16 immoral. I am absolutely upset about it -- just in
17 case you couldn't tell. I just don't understand.

18 I don't understand how you can give
19 justification for this fluctuation every month for
20 a water supply charge. How can -- how can you have
21 a monthly bill that fluctuates from a bill being
22 billed for 27 days to a bill being billed for 36
23 days the next month? There is absolutely no
24 consistency in the billing charges, of when they
25 are given to you. You get eight days when you get

1 the bill, to pay the charge that goes to Maine?
2 Excuse me; that is wrong. We all get the bills, we
3 all look at them and we go, "Oh, my God. We're
4 going to go have another increase again." \$16.43 a
5 month, for what? For what? Somebody tell us what
6 it's for.

7 This is, again, atrocious; it's a mess. We
8 have no choice. It's a monopoly. We have never
9 had a choice since we've lived in this subdivision.

10 Water pressure is fine where we are. The
11 water is okay. When there's a problem, they seem
12 to take care of it. We don't have issue with that.
13 We have issue with the basic demands of paying a
14 bill, keeping to a budget -- we're both retired
15 now. Paying your bills, everything is going up.
16 Forty-seven [47] percent. Ten [10] percent of that
17 is unconscious_[sic]; forget 47 percent.

18 That's all I have to say. Thank you.

19 **CHAIRMAN HAMILTON:** Thank you. Do we have any
20 questions of Ms. Walsh?

21 **MR. ELLIOTT:** No questions of Ms. Walsh. We
22 appreciate her coming.

23 **CHAIRMAN HAMILTON:** Ms. Belser?

24 <

25 <

CROSS EXAMINATION**BY MS. BELSER:**

Q Ms. Walsh, good evening. Could you explain the -- you testified about having eight days to pay your bill, to send it to Maine. Would you --

A I just paid my bill. It's the first of the month. We're retired. And I just got the bill on Saturday.

Q Do you have your bill in your hand?

A I have my bill here. It's due the 7th. Today's the 1st.

Q Does it have a date on it as to when the bill was rendered?

A It says 9/12. I did not get the bill on 9/12.

Q They sent it 9/12 and you received it, when, ma'am?

A I got it Saturday, I believe, Friday or Saturday of this past week.

Q And the due date, again, is --

A Is the 7th of October.

Q Thank you, very much.

A You're welcome.

CHAIRMAN HAMILTON: Would you like to place that bill in the records, to go with the testimony?

WITNESS: Sure. It has a lot of writing on it.

CHAIRMAN HAMILTON: That'll be Exhibit No. 4.

1 [WHEREUPON, Hearing Exhibit No. 4 was
2 marked and received in evidence.]

3 Do we have any additional questions of Ms.
4 Walsh?

5 [No response]

6 Thank you, ma'am, very much, for appearing.

7 **WITNESS:** Thank you.

8 [WHEREUPON, the witness was excused.]

9 **MR. DONG:** The last name I have on the list
10 this evening is Ken Cheek.

11 [Witness sworn]

12 THEREUPON came,

13 **K E N C H E E K ,**

14 who, having been first duly sworn, testified as follows:

15 **WITNESS:** My name is Ken Cheek. I live at 311
16 Lakewood Drive, Lakewood subdivision, here in
17 Anderson.

18 I, like Ms. Wilson, is very frustrated about
19 the last rate increase request, because I didn't
20 realize it had been approved until I read in the
21 paper announcing this Public Service Commission
22 hearing. I got a letter from Utilities, Inc., and
23 they stated that they spent \$5.3 million since the
24 last rate increase approval. They named some areas
25 where capital improvements were made; 90-95 percent

1 of them, I've never heard of, and I know Anderson
2 pretty well. I've lived at my address for --
3 February will be 41 years. I've never seen them do
4 any improvements to our water system, except that I
5 did have a broken housing around my meter for
6 several years, and every now and then, the meter
7 reader would come out and he would -- it would be
8 filled up with mud, so he'd throw it out in the
9 grass. He recently threw a pile of it, this large
10 [indicating], into my flower bed, smothering out my
11 flowers, creeping phlox, so I called and they came
12 out and replaced the housing and raised the meter.
13 That's the only improvement I've seen in almost 41
14 years.

15 They also state in this letter that the
16 customers for USSC -- water purchased from another
17 source would be around \$42 per month. I'm not an
18 actuary, but I don't -- I can't come up with these
19 figures when they're raising the basic facility,
20 the meter base, from \$16.53 to \$24.24, and raising
21 the cost of 1,000 gallons of water from \$2.91 to
22 \$4.26 per 1,000. And this is not all of it. They
23 have a distribution charge, a water usage charge, a
24 meter base charge, and a DHEC charge.

25 The pumping station for Hammond Water is the

1 same source for Green Hills Plantation, which is
2 adjacent to my subdivision, and it sits 4/10 or
3 5/10 of a mile from my house. The treated water
4 that comes from that pumping station goes through
5 that much line, and then they bill me two, two and
6 a half times what the people that get the same
7 water, in Green Hills, pay.

8 They just got, apparently, after they put this
9 rate increase -- this last one -- under bond, they
10 just apparently approved, and then they come back
11 with a similar figure as what they're presenting
12 here, to raise rates again. I mean, there's got to
13 be some time when enough is enough. That's all I
14 have to say.

15 **CHAIRMAN HAMILTON:** Thank you, sir.

16 Do we have any questions of the witness?

17 **MR. ELLIOTT:** No questions of Mr. Cheek. I
18 appreciate his coming.

19 **MS. BELSER:** No questions.

20 **CHAIRMAN HAMILTON:** Thank you, very much, sir.

21 [WHEREUPON, the witness was excused.]

22 **CHAIRMAN HAMILTON:** I think this was the last
23 witness that had signed up to be on the record
24 tonight. We'd like to thank each one of you for
25 being here. We'd like to thank you for the

1 courtesy you've shown the Commission, and we
2 appreciate it very much. Can you hear?

3 **MR. SNIDER:** I signed up to speak, sir, but I
4 did not hear my name.

5 **CHAIRMAN HAMILTON:** I'm sorry, sir. If you
6 did, we'll check.

7 **MR. DONG:** Are you Mr. Sander_[sic].

8 **MR. SNIDER:** No, sir. Jeff Snider.

9 **MR. DONG:** Snider. Okay. I must have read
10 wrong; I'm sorry.

11 **CHAIRMAN HAMILTON:** We mispronounced your
12 name. Sorry.

13 [Witness sworn]

14 THEREUPON came,

15 **J E F F S N I D E R ,**

16 who, having been first duly sworn, testified as follows:

17 **WITNESS:** My name is Jeff Snider, and I live
18 at 209 Fieldcrest Drive, in Anderson, South
19 Carolina. We built our home there in 1984, and
20 when we moved in, we were with Hughes Well
21 Drilling. At that time, our water bills were very,
22 very inexpensive. This has changed hands several
23 times since then. And I'm a neighbor of Mr. James
24 Deaton. And now we have Utilities Services, and my
25 bill runs anywhere from \$50-\$55 a month at my

1 house. It's me, my wife. I have an 18-year-old
2 daughter, and a small son -- small-age son.

3 So I just ask you, please, consider this
4 increase that they're asking for. I have some
5 friends that live in the neighborhood just across
6 from us; they live in Carriage Gate, which is right
7 off of Prospect Church Road, which is like five
8 seconds from my house. They're on West Anderson
9 Water Company. Their water bill is \$25 per month.
10 My water bill is double that, and going up?
11 Really? Okay? So, please, treat people the way
12 you want to be treated. That's all I'm going to
13 say. Thank you, very much.

14 **CHAIRMAN HAMILTON:** Thank you, sir.

15 Do we have any questions of the witness?

16 **MR. ELLIOTT:** No questions for Mr. Snider. I
17 appreciate his coming.

18 **MS. BELSER:** No questions.

19 **CHAIRMAN HAMILTON:** Thank you, very much, Mr.
20 Snider.

21 [WHEREUPON, the witness was excused.]

22 Again, I'd like to thank each one of you for
23 being here. I'd like to thank you for the
24 courteous manner in which you've treated the
25 Commission. And we invite any of you to attend the

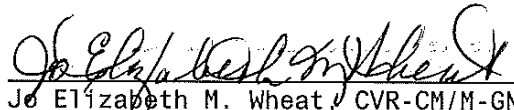
merits hearing in Columbia. Thank you, and we
stand adjourned.

[WHEREUPON, at 7:35 p.m., the hearing in
the above-entitled matter was adjourned,
to reconvene at 6:00 p.m. on October 3,
2013, in York, South Carolina.]

C E R T I F I C A T E

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, Notary Public in and for the State of South Carolina, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had and testimony adduced in an evening public hearing held in the above-captioned matter before the PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA;

IN WITNESS WHEREOF, I have hereunto set my hand and seal, on this the 18th day of November, 2013.


Jo Elizabeth M. Wheat, CVR-CM/M-GNSC
Hearings Reporter, PSC/SC
My Commission Expires: January 27, 2021.